



## Highlights

- Employment in B.C. down in February by 0.7 per cent m/m
- Canadian permits rose in January
- B.C. issued lower value of building permits in January
- B.C. exports fell by 8.2 per cent y/y while imports declined by 0.7 per cent

## Employment falls in B.C. in February

*Eloho Ennah, Economic Analyst*

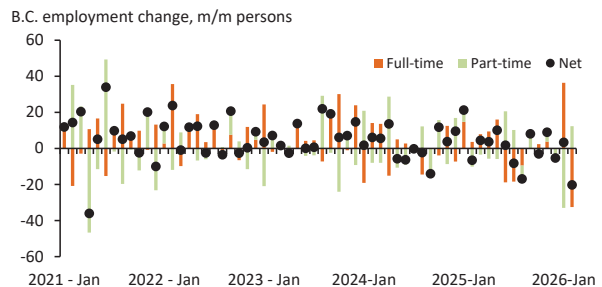
B.C.'s labour market conditions deteriorated in February as employment in the province contracted significantly. Total employment in the province edged down 0.7 per cent or 20.2k persons to a seasonally-adjusted 2.9 million people in February. This was larger than the drop in national employment (0.4 per cent), though employment losses were seen in the majority of provinces. Year-over-year, employment fell by 0.4 per cent. The monthly decline was driven by lower full-time employment, which fell by 1.4 per cent (-32.5k persons). Gains in part-time employment (+2.2 per cent or +12.3k persons) were not sufficient to offset these losses.

Despite weaker employment, B.C.'s unemployment rate held steady at 6.1 per cent in February, lower than the national average of 6.7 per cent. The steady jobless rate reflected a decline in the labour force. A reduction in the labour force participation rate may also point to more workers stepping back from job searching amid a weak economy, while demographic factors such as an ageing population also continue to put downward pressure on labour force participation.

On an industry basis, goods sector employment fell by 1.7 per cent during the month. This was mostly due to large employment declines in construction (-2.5 per cent or -6.9k persons), manufacturing (-2.0 per cent or -3.6k persons), and natural resources (-2.4 per cent or -1k persons). However, agriculture employment increased by 9.2 per cent m/m (+2k persons) along with utilities employment, also up by 0.6 per cent (+100 persons).

Within the services sector, employment decreased by 0.5 per cent as employment dropped in almost all subcategories. The most prominent declines were in healthcare and social assistance (-1.2 per cent or -4.9k persons), finance, insurance, real estate, rental and

B.C. employment falls in February



Source: Statistics Canada, Central 1

latest: Feb/26

leasing (-2.8 per cent or -5.4k persons), and information, culture and recreation (-3.4 per cent or -4.5k persons). However, accommodation and food services employment increased by 3.8 per cent (+7.2k persons) and professional, scientific and technical services employment was also 1.7 per cent higher (+5.3k persons).

Regionally, the three-month average data point to labour market weakness across B.C.'s CMAs. Vancouver's employment declined by 0.2 per cent m/m (-4.1k persons), and employment also fell in Kelowna by 2.5 per cent (-3.3k persons). The unemployment rate was the highest in Nanaimo at 7.7 per cent and remained elevated in other regions.

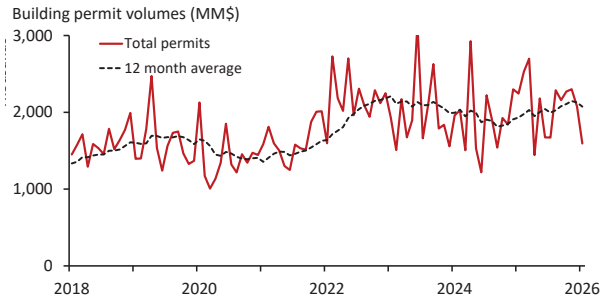
Overall, labour market trends point to continued softness in sectors exposed to trade uncertainty and tariffs, particularly forestry and manufacturing. Employment in construction may be further impacted by signs of cooling residential building activity.

## B.C. saw lower permit values in both residential and non-residential

*Alan Chow, Business Economist*

For the second month in a row, the total value of Canada's building permits increased. For January 2026, permit value rose \$606 million to \$13.3 billion, a 4.8 per cent increase. This was led by non-residential permits, which were up 9.4 per cent or \$464 million to \$5.3 billion and supported by residential permits, up 1.8 per cent or \$143 million to \$7.9 billion. On a constant dollar basis, permits are up 4.3 per cent from the previous month and up 0.8 per cent from a year ago to \$12.2 billion. This is the fourth highest monthly value over the last 12 months.

## B.C. building permits dip in January



Source: Statistics Canada, Central 1  
latest: Jan/2026

B.C. saw a divergent trend compared to the nation this month as building permit volumes fell 23.1 per cent to \$1.59 billion in January 2026. This was the lowest volume since April 2025 at \$1.44 billion. Non-residential permits declined the most, down 42.8 per cent to \$472 million with total residential permits declining by 10.1 per cent to \$1.1 billion. Both are also the lowest since April 2025. On a constant dollar basis, building permits declined 23.7 per cent from the previous month and 30.1 per cent from a year ago to \$1.47 billion.

The sharp drop in non-residential permits was led by a 69.1 per cent decline in institutional and governmental permits, falling to \$131 million. This was the lowest since January 2025 when it was \$108 million. Total commercial permits also declined 16.9 per cent to \$293 million while industrial permits were essentially unchanged at \$47.6 million.

B.C.'s residential permits were led by a 15.3 per cent decline in multiple-dwelling permits to \$860 million, the lowest level since April 2025 when it was \$738 million. On the other hand, single-dwelling permits rose 12.7 per cent to \$261 million. This was the highest volume since July 2024.

In B.C.'s metro areas, three out of the seven areas saw higher permit volumes in January 2026 compared to December 2025. These included Abbotsford, Nanaimo, and Kamloops. Vancouver reported a notable monthly decline of 41.8 per cent and Victoria saw a decline of 17.4 per cent.

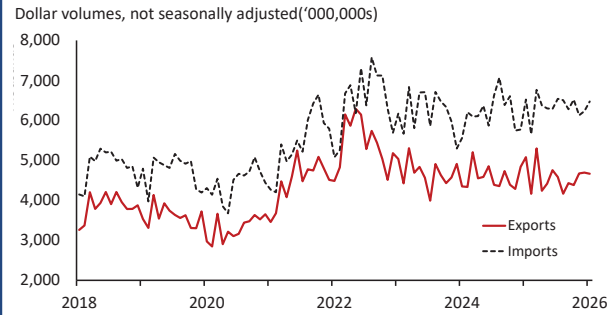
## B.C. exports decline in January

*Eloho Ennah, Economic Analyst*

B.C.'s merchandise exports fell in January by 0.6 per cent to reach \$4.7 billion (unadjusted for seasonality). Year-over-year, this marked a decline of 8.2 per cent compared to the same month in 2025. Meanwhile, imports were up by 3.9 per cent m/m to \$6.5 billion but fell by 0.7 per cent y/y.

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## B.C. exports decline in January



Source: Statistics Canada, Central 1

latest: Jan/26

The y/y decline in exports was largely driven by reduced forestry products and building and packaging materials, which fell by 34.9 per cent (-\$377.9 million). A persistent decline in the category points to existing challenges in the forestry sector, including timber supply constraints, other duties already imposed by the U.S., and more recent section 232 tariffs which have further dampened activity in the sector. In addition, electronic and electrical equipment and parts exports declined by 34.8 per cent (-\$120.3 million) while farm, fishing and intermediate food products exports fell by 39.0 per cent (-\$90.9 million). That said, energy product exports increased by 17.4 per cent (+\$278.8 million) supported by increased exports of natural gas as extreme winter weather hit many U.S. areas and boosted demand for Canadian natural gas. Exports of metal ores and non-metallic minerals also rose by 18.8 per cent (+\$85.4 million) in the same period.

On the imports side, the most significant declines were noted in consumer goods (-10.1 per cent or -\$192.6 million), motor vehicles and parts (-23.4 per cent or -\$181.8 million), and energy (-38.9 per cent or -\$124.1 million). Conversely, imports of forestry products and building and packaging materials increased substantially by 71.4 per cent (+\$328.4 million), while metal ores and non-metallic minerals imports rose by 47.1 per cent (+\$53.3 million). Imports of industrial machinery, equipment and parts also increased by 10.1 per cent (+\$79.2 million) on high shipment of modules and equipment from China related to the construction of liquefied natural gas production infrastructure in the province.

Compared with other provinces, B.C. has the lowest share of exports destined for the U.S., with approximately 56 per cent of exports going to the U.S. in January with substantial exposure to Asian markets as well. Forestry sector weakness is likely to continue to weigh on export growth but growth in liquefied natural gas exports and higher seafood exports to China should support activity as trade tensions subside.